



LEGAL DEPARTMENT of the UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

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September 14, 2018

T-Bones Baseball Club, LLC
Attention: Adam Ehlert
1800 Village West Parkway
Kansas City, Kansas 66111

Dear Mr. Ehlert:

Reference is hereby made to that certain Management Agreement between the Unified Government of Wyandotte County/Kansas City, Kansas ("Unified Government") and T-Bones Baseball Club, LLC ("T-Bones") dated July 20, 2017 (the "Agreement"). All capitalized terms which are not otherwise defined herein shall have the meanings assigned to them in the Agreement.

On behalf of the Unified Government the purpose of this letter is to notify the T-Bones that it is in default under the following terms of the Agreement:

1) Sec. 6.3 – Payment of Certain Utility Expenses.

Under the terms of the Agreement, the T-Bones are responsible for the payment of certain utility expenses as set forth in Section 6.3. As of August 13, 2018 there was an outstanding balance of Two Hundred Five Thousand Two Hundred Thirty Four Dollars and 71/100 (**\$205,234.71**) for these charges. (See Exhibit 1). We ask that you remit full payment to the Unified Government within ten (10) days of this Notice of Default as provided for in Sec. 22.1(i) of the Agreement. Should the T-Bones fail to do so, the Unified Government reserves the right to seek all remedies available at law as provided for in Sec. 22.2 of the Agreement, including termination of the Agreement.

2) Sec. 22.8 – Payment of Certain Past Due Obligations incurred under the Lease Agreement

Under the terms of the Agreement, the T-Bones are obligated to make forty-eight (48) monthly payments of One Thousand Six Hundred Seventy-Eight Dollars and 78/100 (\$1,678.78) to the Unified Government for past due payments owed under that certain Lease Agreement dated February 21, 2014 (the “Lease Agreement”). As of August 13, 2018 the Unified Government has received only three monthly payments. The T-Bones are therefore in default for ten (10) monthly payments in the amount of Sixteen Thousand Seven Hundred Eighty-Seven Dollars and 80/100 (**\$16,787.80**).

We ask that you remit full payment to the Unified Government within ten (10) days of this Notice of Default as provided for in Sec. 22.1(i) of the Agreement. Should the T-Bones fail to do so, the Unified Government reserves the right to seek all remedies available at law as provided for in Sec. 22.2 of the Agreement, including termination of the Agreement.

3) Sec. 22.8(g) – BPU Charges

Under the terms of the Agreement, the T-Bones agreed that the Agreement did not release it from its obligations to pay the BPU Charges incurred under the Lease Agreement. As of the date of this Notice, those charges amount to Three Hundred Twenty Eight Thousand Seven Hundred Forty Nine Dollars and 77/100 (**\$328,749.77**)(See Exhibit 2). We ask that you remit full payment to the Kansas City Board of Public Utilities within ten (10) days of this Notice of Default as provided for in Sec. 22.1(i) of the Agreement. Should the T-Bones fail to do so, the Unified Government reserves the right to seek all remedies available at law as provided for in Sec. 22.2 of the Agreement, including termination of the Agreement.

4) Sec. 6.3(e) – Surety bond/Letter of credit

Under the terms of the Agreement, the T-Bones were required to obtain a surety bond in the amount of One Hundred Thirty-Five Thousand Dollars and NO/100 (\$135,000.00). Pursuant to a letter dated September 13, 2017, the Unified Government stated that it would consider the T-Bones to be in compliance with Sec. 6(e) if they were able to secure a surety bond in the amount of One Hundred Fourteen Thousand Seven Hundred Fifty Dollars and No/100 (**\$114,750.00**), for utility costs, and also secure a letter of credit for Twenty Thousand Two Hundred Fifty Dollars and NO/100 (**\$20,250.00**), representing one-third of the T-Bones’ Certain Past Due Obligations, as set forth in Section 22.8 of the Agreement.

As of the date of this Notice, the Unified Government has not received confirmation that either of these obligations have been fulfilled by the T-Bones. We ask that you cure this within thirty (30) days of this Notice of Default as provided for in Sec. 22.1(ii) of the Agreement. Should the T-Bones fail to do so, the Unified Government reserves the right to seek all remedies available at law as provided for in Sec. 22.2 of the Agreement, including termination of the Agreement.

Thank you for your attention to this matter. Please have your attorney contact me should you have any questions about this Notice.

Sincerely,

Patrick Waters
Senior Counsel

CC: John R. Weisenfels, White Goss Bowers March Schulte & Weisenfels
Doug Bach, County Administrator
Kenneth J. Moore, Chief Counsel
Kathleen VonAchen, CFO